(d) A Working Group has been constituted under the chairmanship of Dr. Y.K. Alagh to review the efffectiveness of Stage-I and II of New Pricing Scheme for urea units and to formulate a policy for urea units for Stage-III commencing from 1.4.2006. Government has also constituted an Expert Group under the chairmanship of Dr. Abhijit Sen, member, Planning Commission, to examine the pricing of phosphatic fertilizers and related issues.

Reducing drug prices

2073. SHRIMATI JAYA BACHCHAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government are considering a proposal to reduce prices of life saving drugs and pain killers; and

(b) if so, the details thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) and (b) The Drugs (Prices Control) Order, 1995 (DPCO, 95) does not make any distinction between Life Saving drugs and other drugs. There is no specific norms or guidelines to determine as to which drugs can be classified as life saving drugs. Every drug, in general, is considered useful in saving and prolonging of life.

Presently 74 bulk drugs specified in the First Schedule of the Drugs (Price Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices and fixed/revised by the National Pharmaceutical Pricing authority (NPPA) in accordance with the provisions of the DPCO, 95. These drugs have been identified for inclusion under price control in the DPCO, 95 on the basis of criteria mentioned in the 'Modifications in Drug Policy, 1986', announced in September, 1994. These criteria take into account the extent of usage and the market competition in various drugs.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. Due to these factors there is a wide variation between the production cost and selling price of these medicines. The Government takes corrective measures where the public interest is found to be adversely affected.